ASSEMBLY BILL   No. 2400

Introduced by Assembly Member Salinas

February 21, 2002

An act to add Chapter 2.61 (commencing with Section 7286.22) to Part 1.7 of Division 2 of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 2400, as amended, Salinas.   Transactions and use taxes: County of Monterey.

Existing law authorizes various local governmental entities, subject to certain limitations and approval requirements, to levy transactions and use taxes in accordance with the procedures and requirements set forth in the Transactions and Use Tax Law.

This bill would additionally authorize the County of Monterey to establish a local public finance authority that would be authorized, as provided and subject to the approval of the voters voting on the issue at an election, to levy a tax pursuant to the Transactions and Use Tax Law at a rate not to exceed 1%. This bill would also provide that any tax so imposed may not become operative before January 1, 2004.

This bill would make legislative findings and declarations as to the necessity of a special statute.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Chapter 2.61 (commencing with Section
2 7286.22) is added to Part 1.7 of Division 2 of the Revenue and
3 Taxation Code, to read:
4
5 CHAPTER 2.61.   COUNTY OF MONTEREY LOCAL PUBLIC FINANCE
6   AUTHORITY TRANSACTIONS AND USE TAX
7
8 7286.22.   (a) (1) The County of Monterey may establish a
9 local public finance authority for the purpose of financing the
10 implementation of the general plan in that county if the board of
11 supervisors of that county adopts a ~~resolution, by a majority~~ *an*
12 *ordinance, by a two-thirds* vote of the membership of that board,
13 to establish that local public finance authority and to authorize that
14 authority to impose the tax described in subdivision (b).
15 (2) The local public finance authority shall be governed by a
16 board of directors, selected in the manner as determined by the
17 board of supervisors of the County of Monterey, consisting of the
18 following membership:
19 (A) Five members from the board of supervisors of the County
20 of Monterey.
21 (B) One member, not including a member described in
22 subparagraph (A) or (C), from each of the 12 cities within that
23 county.
24 (C) One member, not including a member described in
25 subparagraph (A) or (B), from the Monterey County Water
26 Resources Agency.
27 (b) If a local public finance authority is established pursuant to
28 subdivision (a), that authority may levy a tax at a rate not to exceed
29 1 percent in accordance with the Transactions and Use Tax Law
30 (Part 1.6 (commencing with Section 7251)), if all of the following
31 conditions are met:
32 (1) An ordinance ~~or resolution~~ proposing that tax is approved
33 by a two-thirds vote of the membership of the board of directors
34 of the authority, provided that at least ~~three~~ *four* of the members
35 voting in favor of the ordinance ~~or resolution~~ are members
36 described in subparagraph (A) of paragraph (2) of subdivision (a).
37 (2) The ordinance ~~or resolution~~ so approved specifies how the
38 proceeds from the tax will be allocated among local agencies in the

1 county and expended for the implementation of the county's
2 general plan.
3 (3) The ordinance ~~or resolution~~ proposing the tax is approved,
4 by that percentage as required by law, by the qualified voters of the
5 county voting on the ordinance ~~or resolution~~.
6 (c) (1) If a tax is levied pursuant to subdivision (b), the local
7 public finance authority may exercise all powers necessary to
8 perform the collection, administration, and allocation duties with
9 respect to that tax in a manner consistent with the Transactions and
10 Use Tax Law (Part 1.6 (commencing with Section 7251)).
11 (2) Notwithstanding any other provision of law, the imposition
12 and collection of any tax approved pursuant to subdivision (b)
13 shall commence no sooner than the first day of the first calendar
14 quarter commencing ~~not~~ more than 90 days after the results of the
15 election described in paragraph (3) of subdivision (b) are certified
16 by the county registrar.
17 (d) (1) The County of Monterey shall call a special election,
18 for the purposes described in paragraph (3) of subdivision (b), to
19 be held on a date not less that 88 days, nor more than 103 days, after
20 the ordinance ~~or resolution~~ is approved pursuant to paragraph (1)
21 of subdivision (b).
22 (2) (A) If the ordinance ~~or resolution~~ described in subdivision
23 (b) is approved by voters as described in paragraph (3) of
24 subdivision (b) in a special election described in paragraph (1), the
25 local public finance authority shall reimburse the County of
26 Monterey, from the proceeds of the tax so approved, for all costs
27 incurred by that county in conducting the special election.
28 (B) If the ordinance ~~or resolution~~ described in subdivision (b)
29 is not approved by voters as described in paragraph (3) of
30 subdivision (b) in a special election described in paragraph (1),
31 each local agency in that county, including that county, that would
32 have received proceeds from the tax, had that tax been approved
33 by voters, shall reimburse the County of Monterey for costs
34 incurred by that county in conducting that election. Each
35 applicable local agency's share of this reimbursement amount
36 shall correspond to the portion of revenue that would have been
37 allocated to that local agency had that tax been approved.
38 (e) Notwithstanding any other provision of law, a tax imposed
39 pursuant to this chapter may not become operative before January
40 1, 2004.

1   SEC. 2.   The Legislature finds and declares that a special law
2 is necessary and that a general law cannot be made applicable
3 within the meaning of Section 16 of Article IV of the California
4 Constitution because of the uniquely difficult fiscal pressures
5 being experienced by the County of Monterey in providing
6 essential public services related to implementing that county's
7 general plan.

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